



DEPARTMENT OF ENERGY

[Docket No. 22-110-LNG]

NFE Altamira FLNG, S. de R.L. de C.V.; Application for Long-Term, Multi-Contract Authorization to Export Domestically Produced Natural Gas to Mexico and to Re-Export Liquefied Natural Gas from Mexico to Non-Free Trade Agreement Countries

AGENCY: Office of Fossil Energy and Carbon Management, Department of Energy.

ACTION: Notice of application.

SUMMARY: The Office of Fossil Energy and Carbon Management (FECM) of the Department of Energy (DOE) gives notice (Notice) of receipt of an application (Application), filed on September 9, 2022, by NFE Altamira FLNG, S. de R.L. de C.V. (NFE Altamira). NFE Altamira requests long-term, multi-contract authorization to export domestically produced natural gas by pipeline to Mexico in a volume up to 158 billion cubic feet (Bcf) per year (Bcf/yr), and to re-export 145 Bcf/ yr of this natural gas as liquefied natural gas (LNG). NFE Altamira seeks to re-export this LNG by vessel from a proposed floating liquefaction and export terminal project, the Altamira FLNG Project (Project), to be located off the coast of Altamira Tamaulipas, Mexico, in the Gulf of Mexico. NFE Altamira filed the Application under section 3 of the Natural Gas Act (NGA).

DATES: Protests, motions to intervene, or notices of intervention, as applicable, and written comments are to be filed electronically as detailed in the **Public Comment Procedures** section no later than 4:30 p.m., Eastern time, [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES:

Electronic Filing by email:

fergas@hq.doe.gov

Although DOE has routinely accepted public comment submissions through a variety of mechanisms, including postal mail and hand delivery/courier, DOE has found it necessary to

make temporary modifications to the comment submission process in light of the ongoing Covid-19 pandemic. DOE is currently accepting only electronic submissions at this time. If a commenter finds that this change poses an undue hardship, please contact Office of Resource Sustainability staff at (202) 586-4749 or (202) 586-7893 to discuss the need for alternative arrangements. Once the Covid-19 pandemic health emergency is resolved, DOE anticipates resuming all of its regular options for public comment submission, including postal mail and hand delivery/courier.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

NFE Altamira requests long-term, multi-contract authorization to export domestically produced natural gas to Mexico via the border-crossing facilities of Valley Crossing Pipeline, LLC to the proposed Altamira FLNG Project. NFE Altamira states that the Project has been proposed by its affiliate, Mexico FLNG S. de R.L. de C.V., an indirect wholly-owned subsidiary of New Fortress Energy Inc. (NFE Altamira's parent company).

NFE Altamira seeks to export this natural gas for both consumption in Mexico and to convert the natural gas, as well as U.S.-sourced volumes for which it acquires title in Mexico, to LNG for

re-export to: (i) any nation with which the United States has entered into a free trade agreement (FTA) requiring national treatment for trade in natural gas (FTA nations), and (ii) any other nation with which trade is not prohibited by U.S. law or policy (non-FTA nations). This Notice applies only to the portion of the Application requesting authority to re-export of LNG produced from U.S.-sourced natural gas to non-FTA countries pursuant to section 3(a) of the NGA.¹ DOE will review NFE Altamira's request for a FTA export authorization separately pursuant to NGA section 3(c).²

NFE Altamira seeks the authorization on its own behalf and as agent for other entities that will hold title to the natural gas or LNG at the point of export or re-export, respectively. NFE Altamira requests the authorization for a term to commence on the date of first export following the commencement of commercial operation of the Project, and to extend through December 31, 2050.

Additional details can be found in NFE Altamira's Application, posted on the DOE website at: www.energy.gov/sites/default/files/2022-09/22-110-LNG.pdf.

¹ 15 U.S.C. 717b(a).

² 15 U.S.C. 717b(c).

DOE Evaluation

In reviewing the Application, DOE will consider any issues required by law or policy. DOE will consider domestic need for the natural gas, as well as any other issues determined to be appropriate, including whether the arrangement is consistent with DOE's policy of promoting competition in the marketplace by allowing commercial parties to freely negotiate their own trade arrangements. As part of this analysis, DOE will consider the study entitled, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (2018 LNG Export Study),³ and DOE's response to public comments received on that Study.⁴

Additionally, DOE will consider the following environmental documents:

- *Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States*, 79 FR 48132 (Aug. 15, 2014);⁵
- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States*, 79 FR 32260 (June 4, 2014);⁶ and
- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update*, 84 FR 49278 (Sept. 19, 2019), and DOE's response to public comments received on that study.⁷

Parties that may oppose this Application should address these issues and documents in their comments and protests, as well as other issues deemed relevant to the Application.

The National Environmental Policy Act (NEPA), 42 U.S.C. 4321 *et seq.*, requires DOE to give appropriate consideration to the environmental effects of its proposed decisions. No final decision will be issued in this proceeding until DOE has met its environmental responsibilities.

Public Comment Procedures

³ See NERA Economic Consulting, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (June 7, 2018), available at: www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf.

⁴ U.S. Dep't of Energy, *Study on Macroeconomic Outcomes of LNG Exports: Response to Comments Received on Study*; Notice of Response to Comments, 83 FR 67251 (Dec. 28, 2018).

⁵ The Addendum and related documents are available at: <https://energy.gov/fe/draft-addendum-environmental-review-documents-concerning-exports-natural-gas-united-states>.

⁶ The 2014 Life Cycle Greenhouse Gas Report is available at: <https://energy.gov/fe/life-cycle-greenhouse-gas-perspective-exporting-liquefied-natural-gas-united-states>.

⁷ U.S. Dep't of Energy, *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update – Response to Comments*, 85 FR 72 (Jan. 2, 2020). The 2019 Update and related documents are available at: <https://fossil.energy.gov/app/docketindex/docket/index/21>.

In response to this Notice, any person may file a protest, comments, or a motion to intervene or notice of intervention, as applicable. Interested parties will be provided 60 days from the date of publication of this Notice in which to submit comments, protests, motions to intervene, or notices of intervention.

Any person wishing to become a party to the proceeding must file a motion to intervene or notice of intervention. The filing of comments or a protest with respect to the Application will not serve to make the commenter or protestant a party to the proceeding, although protests and comments received from persons who are not parties will be considered in determining the appropriate action to be taken on the Application. All protests, comments, motions to intervene, or notices of intervention must meet the requirements specified by the regulations in 10 CFR part 590, including the service requirements.

As noted, DOE is only accepting electronic submissions at this time. Please email the filing to fergas@hq.doe.gov. All filings must include a reference to “Docket No. 22-110-LNG” or “NFE Altamira FLNG Application” in the title line.

PLEASE NOTE: Please include all related documents and attachments (*e.g.*, exhibits) in the original email correspondence. Please do not include any active hyperlinks or password protection in any of the documents or attachments related to the filing. All electronic filings submitted to DOE must follow these guidelines to ensure that all documents are filed in a timely manner. Any hardcopy filing submitted greater in length than 50 pages must also include, at the time of the filing, a digital copy on disk of the entire submission.

The Application and any filed protests, motions to intervene, notices of interventions, and comments will also be available electronically by going to the following DOE Web address: www.energy.gov/fecm/regulation.

A decisional record on the Application will be developed through responses to this Notice by parties, including the parties’ written comments and replies thereto. Additional procedures will be used as necessary to achieve a complete understanding of the facts and issues. If an additional

procedure is scheduled, notice will be provided to all parties. If no party requests additional procedures, a final Opinion and Order may be issued based on the official record, including the Application and responses filed by parties pursuant to this Notice, in accordance with 10 CFR 590.316.

Signed in Washington, D.C., on September 30, 2022.

Amy Sweeney,
Director, Office of Regulation, Analysis, and Engagement,
Office of Resource Sustainability.

[FR Doc. 2022-21699 Filed: 10/5/2022 8:45 am; Publication Date: 10/6/2022]